State of Utah Division of Oil Gas & Minin Mining/Exploration Summary

LARGE MINING OPERATION Permt # M450008 Name: ROWLEY MAGNESIUM -**Permit Status** Mine Status **Ownership** Location Status: APP Approved: Status: INA Surface: FFSL UTMX: 355,157 09/04/1979 Recieved: 06/27/1978 Date: 01/01/1997 Mineral: FFSL UTMY: 4,530,577 Tent Appr: 05/25/1979 Methods Minerals Mined/Explored: MAGNESIUM, MAG CHLORIDE Surf/Under: SURFACE Methods Used: **Bonding Permit Fees** Date Sent **Date Received** Approved Acres Acres Released Date Released 06/27/2002 11 0 11 15 **Bond Type** Fee Received Cash Receipt **ESCROW-ST TREASURER** \$ 0 **Bond Amount:** Date Bond Expires: **Deliquent Notice** \$ 15,278 07/30/1984 11 Comments: 7/11/2002 - Memo of meeting held 7/9/2002 documenting discussion regarding resolution of Division Order and permit transfer requirements. Copies sent to Tom Tripp, US Magnesium LLC. Discussion that per the Bankruptcy Court Order, the \$349,866 reclamation estimate (accepted by DOGM Director) would not have to be posted for 90 days and operations could continue during that time. DOGM asked for a copy of that Bankruptcy Court Order. Meeting concluded that the permit transfer, reclamation contract and replacement surety could not be formally approved until the permtting requirements under the Division Order were appropriately resolved. 7/9/2002 - Meeting held with operators regarding status of transfer. New company formed - now called US Magnesium LLC. Transfer form to be finalized by September, 2002 per Court Order. **Last Action** Start Date: 05/31/2002 End Date: 07/02/2002 Action: DO 5/31/2002 - Sent DIVISION ORDER to operator. Operation originally permitted in Sept. 1979, some original surveys, maps, & information are outdated and now deficient. DOGM has requested updated information which has not been received. Therefore, Division Order issued which is to be complied with w/in 30 days. 1) submit any and all information, data, maps, etc. in response to DOGM review documents w/in Last Inspection Date 12/26/2001 Inspector PBB Date of Inspection: December 26, 2001 Time of Inspection: 10:00 AM to 12:00 PM Conditions: Foggy, 20's, about four inches of snow on the ground

Last Annual Report 2001	Acreage:	50.0	Acr Reclaimed:	0.0	Production	on: N,ne ,	
Last Agency Action Agency	: SITLA A	gency ID: N	IL-18779	Date: //			
Operator MAGNESIUM CORP OF	AMERICA		Oper Id:	517	TaxID	061-03-0566	

Contact: LEE R BROWN Address: 238 N 2200 W

Phone: (801) 532-2043 Fax (801) 534-1407

SALT LAKE CITY UT 84116 E-Mail

7/9/2002 - Meeting held informing DOGM that US Magnesium LLC is new name of operator - formerly Magnesium Corp of America.

Location

Qqqtr	Qqtr	Qtr	Section	Township	Range	Merid	Quad Sheet		
	SW	SW	11	N02.0	W08.0	S			
			07	N03.0	W06.0	S			
			01	N02.0	W07.0	S			